

**Federal-State Marketing Improvement Program (FSMIP)
Final Grant Report**

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**“Exploring Market Opportunities for Local and Sustainable Poultry Production
and
Providing Education in Small Scale Poultry Production for Idaho Growers”**

The Idaho State Department of Agriculture received funding from the U.S. Department of Agriculture, Agricultural Marketing Service to explore the market opportunities in poultry production in Idaho in September 2001. The project involved a partnership between the Idaho State Department of Agriculture, the University of Idaho, Idaho Organic Alliance, and the Northwest Coalition for Alternatives to Pesticides (NCAP). Additional funding for the project came from a grant from the Wallace Institute for Alternative Agriculture at Winrock International.

Current Availability of Poultry Products in Idaho

Funds were used to conduct research on consumer interest and knowledge base about alternative poultry production. The results of the survey, conducted by the University of Idaho, concluded that a majority of consumers (58%) purchase conventionally produced poultry from chain grocery stores, but that more than one-third of those who responded showed significant interest in purchasing pastured-fed or free-range poultry. Respondents also indicated a high interest in buying from local producers. However, the research also revealed that production in Idaho is rather limited.

Currently, there are two major producers of eggs in the state (neither of which raise their chickens by means of pastured or free range) and no large-scale meat producers (there approximately 45 small-scale producers with less than 2,000 birds). This suggests that the poultry that is marketed and sold in Idaho comes from sources outside of the state, and most often, are produced by conventional methods.

When further analyzing availability, respondents of the consumer survey revealed five important characteristics when buying poultry products: freshness of product (71%); food safety (69%); quality (67%); taste (65%); and USDA inspected (62%). At least 50% of the respondents also expressed the attitude that characteristics such as products being “humanly raised,” “Idaho grown,” “organic,” and “grass-fed” were at least somewhat important. See *Appendices A and B* for further information on availability.

Appendix A is an Executive Summary of the market research and production information gathered regarding conventional and alternate poultry production in the state. A consultant that was hired out of the grant to conduct this research. *Appendix B* contains the results of the Consumer Survey conducted by the University of Idaho.

Current demand for Poultry Products in Idaho

Demand for pastured poultry in Idaho is outlined on pages 8 – 17 of *Appendix B (Consumer Interest Survey)*. The results show that most of the respondents had not heard the terms pastured and free-range in reference to poultry production, and very few had actually purchased pastured or free-range poultry products. At least one-third would be very interested in purchasing pastured or free-range poultry products, and two-thirds indicated that knowing how their poultry products are grown was important to some degree. See *Appendix B* for the results of the entire consumer survey.

Dissemination of Research Results

A two-day workshop was held on March 22-23, 2002, in Nampa, Idaho to investigate the opportunities in pasture-fed and free-range poultry production. Eighty people from around Idaho and the Northwest attended the workshop. Funds paid for the organization of the workshop, as well as fees to bring qualified speakers to address the attendees. The first day of the workshop featured the following speakers:

Dr. Mary Hendrickson, Department of Rural Sociology, University of Missouri-Columbia, on pastured poultry in a world of factory farms; Herman Beck-Chenoweth addressed the various methods of pastured poultry and the free-range model he has found that works best for his operation; Janie Burns, Meadowlark Farms, and J.D. Wulfhorst, University of Idaho College of Agriculture and Life Sciences, presented the results of the consumer survey; Skeeter Lynch, Full Circle Farm, discussed certified organic production techniques; Tom Delehanty, Real Chicken Ranch, discussed his movable cage production methods and the importance of organic production. The day concluded with a tour of Dunlap Hatchery in Caldwell, Idaho.

The second day of the workshop focused on the following:

Herman Beck-Chenoweth discussed how to change a farm's direction toward a profitable future operation using sustainable practices and direct marketing techniques; a panel discussion by Mary Valentine, Food Protection at the Idaho Department of Health & Welfare; Margaret Misner, Organic Program Manager, Idaho State Department of Agriculture; and Al Kowitz and Terry Swagerty, Washington State University Cooperative Extension, focused on rules and regulations that govern poultry production and sales and organic certification; Holly Born, ATTRA, gave a presentation on Label Rouge, the "Red Label" that adorns pastured poultry products in supermarkets in France; Kathleen Kimball, K&C Poultry, spoke on building a poultry processing facility; and a final panel discussion by Skeeter Lynch, Full Circle Farm, Mary Hendrickson, Missouri Food Circle Networking, and Tom Delehanty, Real Chicken Ranch, addressed marketing and selling poultry products.

See *Appendices C and D* for the workshop proceedings and a list of the speakers.

Status of Pastured and Free-Range Poultry Production in Idaho

The workshop generated excellent discussion between participants and speakers regarding several issues related to Pastured and free-range poultry production. The following recommendations were made at the end of the two-day session:

1. Enhance direct marketing opportunities for farmers' year round;
2. Enhance consumer recognition of terms such as "pastured poultry" and "Free-range;"
3. Continue grower education on production and marketing techniques
4. Create a regulatory climate in which consumers are protected and farmers are afforded the ability to process and sell their products locally;
5. Encourage and support small-scale, local agriculture enterprises that:
 - Provide farmers with real incomes
 - Provide local consumers with wholesome, nutritious, high quality foods
 - Circulate local dollars within the community
 - Improve community assets such as water, air, soil and aesthetics

The fourth recommendation (regulatory climate) is where future work will take place. Under the USDA, Food Safety and Inspection Service, Exemption PL 90-492, a processor that slaughters between 1,000 and 19,999 birds per year is exempt from USDA inspection. The inspection becomes the responsibility of the state, typically as part of their state meat inspection program. Because Idaho has not had a state meat inspection program for nearly 20 year, small-scale processors have been forced to either certify with USDA or go out of business. Unfortunately, the latter is the most common result.

A group of producers are currently working to form a producer association, Idaho Pastured Poultry Producers Association. The goal is to mobilize and work on getting state regulations changed to allow for state inspection of poultry processing facilities. This would allow producers to take advantage of Exemption PL 90-492 under USDA. A possible future FSMIP proposal could include a feasibility study of poultry processing in the state of Idaho, including research into changes in state regulations and statutes to allow for the processing.

Appendix E is a post-workshop Executive Summary that addresses the above issues and further elaborates on the five recommendations that came out of the two-day workshop.

Appendix F includes all other materials that were generated for the workshop.